

EXHIBIT 4

ORIGINAL

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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

-----X

WILHELM H. MICKELSEN, :
 :
 Plaintiff, : Civil Action No.
 :
 -against- : 08 CV 10138
 :
 BERTELSMANN, INC. and : (TPG)
 :
 OFFSET PAPERBACK MFRS., INC. :
 :
 Defendants. :

-----X

May 13, 2010

9:05 a.m.

Deposition of **DAVID LIESS**, held at the law
offices of Schwartz & Perry LLP, 295 Madison Avenue,
New York, New York, before Susan B. Ratner, a
Shorthand Reporter and Notary Public within and for
the State of New York.

A P P E A R A N C E S:

SCHWARTZ & PERRY LLP

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BY: LAUREN REITER BRODY, ESQ.

ALSO PRESENT:

WILHELM H. MICKELSEN

1 D. Liess

2 MRS. BRODY: Objection.

3 I don't believe that that was the
4 testimony.

5 A. I think, if I am not mistaken, I said
6 that my attorney advised me what was in this
7 complaint.

8 Q. Once again, I don't want to know anything
9 that your attorney said to you.

10 What I do want to know is, what is your
11 understanding of Bill Mickelsen's allegations against
12 the company?

13 A. My belief?

14 Q. No.

15 What I am asking you is, what is your
16 understanding of what Bill Mickelsen's claims,
17 allegations, accusations are against the company?

18 A. My understanding is that Bill Mickelsen
19 feels that he was discriminated against, even though
20 he still has a job, and that is pretty much it.

21 It's tough for me to answer this question
22 without telling you what I believe about it.

23 I think that it's nonsense, to be honest
24 with you.

25 That is my belief. That is my opinion.

1 D. Liess

2 That is my feeling. That is every emotion I have.

3 If I can be blunt with you, this is
4 100 percent total bullshit.

5 Q. So this is bullshit, even though you have
6 never read the complaint, correct?

7 MRS. BRODY: Objection.

8 MR. HELLER: I will withdraw the
9 question.

10 MRS. BRODY: Brian, we are going to
11 take a break. You are too excited and you
12 are yelling at my client.

13 THE WITNESS: I'm cool. He's not
14 going to rattle me.

15 MRS. BRODY: I was actually hoping
16 that he could calm down a little.

17 THE WITNESS: He is not going to rattle
18 me. You don't have to worry about that.

19 MR. HELLER: Lauren, the witness and I
20 are doing fine together. I've got to tell
21 you.

22 MRS. BRODY: I don't like to be in a
23 deposition when the examiner is yelling at
24 the witness.

25 MR. HELLER: I am not yelling at him,

1 D. Liess

2 Lauren.

3 THE WITNESS: Well, I'm not feeling
4 the love there, my man, but that's okay.

5 MR. HELLER: That goes both ways.

6 I'm doing fine. I hope that you're
7 doing fine.

8 THE WITNESS: Oh, man, I've dealt with
9 worse than you, so --

10 MR. HELLER: I'm sure you have, and
11 I've dealt with worse than you, so we're all
12 good.

13 Q. So you believe that the lawsuit is
14 bullshit even though you have never read the
15 complaint, correct?

16 A. I have not read the complaint, but I am
17 aware of what is in the complaint, and that's what I
18 feel is bullshit.

19 Q. What are you aware of that is in the
20 complaint?

21 A. That Bill Mickelsen is seeking damages
22 for age discrimination. He feels that he has been
23 discriminated against.

24 Q. To your understanding, how does Bill
25 Mickelsen allege that he was discriminated against?

1 D. Liess

2 Okay.

3 THE WITNESS: Can I ask you a question?

4 With all due respect, I just want to
5 ask you a question.

6 MR. HELLER: Maybe after the deposition
7 you can ask me a question.

8 THE WITNESS: All right.

9 Q. Do you know what Bill Mickelsen has
10 alleged that you have done to him that is
11 discriminatory?

12 A. Not necessarily.

13 Q. How long have you known Bill Mickelsen?

14 A. I have known Bill Mickelsen 24 years,
15 25 years.

16 Q. You started working with him in 1986,
17 correct?

18 A. I guess that is when it was.

19 I don't know if I had met him before or
20 not.

21 When I started with the company he was
22 already with the company.

23 Q. Have you ever traveled together?

24 A. Yes.

25 Q. Have you ever spent time together outside

1 D. Liess

2 of work?

3 A. Yes.

4 Q. Were you friends?

5 A. Yes.

6 Q. And you weren't interested to know what
7 his allegations were against the company of which you
8 were the CEO?

9 MRS. BRODY: Objection.

10 He has already answered that question
11 over and over and over again.

12 Q. You can answer it.

13 MRS. BRODY: He gave it to his legal
14 team.

15 MR. HELLER: Please don't give him the
16 answer.

17 MRS. BRODY: The answer is in the
18 record.

19 A. The answer remains unchanged that I
20 forwarded everything to my legal advisor when I
21 receive the information.

22 I can tell you that I was very hurt that
23 Mr. Mickelsen would think that I would do this to
24 him.

25 Q. Is he alleging that you did this to him?

1 D. Liess

2 Americas?

3 A. Yes.

4 Q. Who do you report to?

5 A. I report to Rolf Buch.

6 Q. What is his position?

7 A. He is CEO of Arvato.

8 Q. Of Arvato --

9 A. Worldwide.

10 Q. Do you know if it's Arvato AG?

11 A. I don't think it is, but I don't really
12 know.

13 I know that it's Arvato. I don't know if
14 there's an AG behind that baby or not.

15 Q. Where is Arvato Print of the Americas
16 headquartered?

17 A. At 1700 Broadway, New York City.

18 Q. Where is Offset Paperback Mfrs.
19 headquartered?

20 A. They are headquartered in Dallas,
21 Pennsylvania.

22 Q. Where is their principal place of
23 business?

24 A. Dallas, Pennsylvania.

25 Q. Are you aware of any filings made with

1 D. Liess

2 the New York State Secretary of State with respect to
3 Offset Paperback Mfrs.?

4 A. I am unaware.

5 I can tell you that I sign a lot of
6 documents that are reviewed, I guess for consent
7 forms, et cetera, et cetera.

8 Are any of those filed with the state, I
9 honest to God couldn't tell you.

10 Q. Do you know if Offset Paperback Mfrs.
11 identifies New York City as its principal place of
12 business with the New York State Secretary of State?

13 A. I can't answer that.

14 Q. Where do you work?

15 I think we got your address earlier, but
16 where are your offices located?

17 A. Got a week?

18 Q. You have more than one office?

19 A. Yes.

20 Q. Where is your main office?

21 A. I guess it's safe to say that my main
22 office is here at 1700 Broadway.

23 Q. Where were the decisions with respect to
24 Bill Mickelsen made, geographically?

25 MRS. BRODY: Objection.

1 D. Liess

2 Q. Are you capable of testifying today --

3 A. Absolutely.

4 Q. -- or are you incapacitated from last
5 night?

6 A. No.

7 I was in bed by 11:30.

8 Q. When did you first see this letter?

9 A. When Bill gave it to me, which I assume
10 was somewhere in November 2007.

11 I don't know if it was on the fourth or
12 not, but that is when I got it.

13 Q. What do you recall about seeing this
14 letter for the first time?

15 A. That it was full of inaccuracies, and I
16 wanted to discuss it with him.

17 Q. Where were you physically when you first
18 saw the letter?

19 A. I was at Offset Paperback, in the corner
20 office.

21 Q. Is it your office?

22 A. I share it with Jack O'Donnell.

23 Q. Who is Jack O'Donnell?

24 A. Jack O'Donnell is the general manager of
25 Offset Paperback.

1 D. Liess

2 THE WITNESS: I'm in trouble.

3 MRS. BRODY: No, you're not.

4 A. Yes, he is complaining about age.

5 MRS. BRODY: All right, let's go.

6 MR. HELLER: We can take a break.

7 Off the record.

8 (Discussion off the record.)

9 (Short recess taken: 10:36 a.m. to
10 10:39 a.m.)

11 MR. HELLER: Back on the record.

12 BY MR. HELLER:

13 Q. How long have you been Bill Mickelsen's
14 supervisor?

15 A. Since approximately March, April of 2007.

16 Q. Have you ever given Bill Mickelsen a
17 performance evaluation?

18 A. I don't do performance reviews.

19 Q. Have you ever done anything to speak to
20 him or advise him of his performance?

21 A. Where we had an official pow-wow, no.

22 Q. Have you done things that are unofficial?

23 A. Specifically with Bill, I probably talked
24 about needing to grow the business, and we need our
25 salespeople to get out there and pound the pavement

1 D. Liess

2 and grow the business, et cetera, et cetera.

3 Q. That is a constant always, correct?

4 A. Yes.

5 Q. You always need the salesmen to grow the
6 business and to pound the pavement, correct?

7 A. Yes.

8 Q. Jack O'Donnell left Offset Paperback,
9 correct?

10 A. He left Offset Paperback?

11 Q. Yes.

12 A. No.

13 Q. He is still there?

14 A. Yes.

15 Q. What is his position now?

16 A. He is the executive vice-president and
17 COO of Offset Paperback.

18 Q. How long has he served in that capacity?

19 A. Approximately the same time as I have
20 been Bill's supervisor.

21 I am going to say March, April of 2007.

22 Q. I believe that I may have asked you this,
23 and I apologize if I did, was he in that same
24 position when you received this letter in November of
25 2007?

1 D. Liess

2 A. Yes.

3 Q. How old is Mr. O'Donnell?

4 A. He is 48 or 49.

5 Q. What --

6 A. He is younger than me.

7 Q. How old are you?

8 A. I am 51.

9 Q. What is your date of birth?

10 A. 1/21/59.

11 Q. Do you know how much older Bill Mickelsen
12 is as compared to you?

13 MRS. BRODY: Didn't we just go through
14 this?

15 Should we do the math?

16 MR. HELLER: Yes, I am asking him to
17 do the math.

18 MRS. BRODY: This is a test.

19 A. I don't know Bill's age.

20 Is he 64?

21 THE WITNESS: (To Mr. Mickelsen) How old
22 are you?

23 A. If he is 64, there is a 13-year
24 difference.

25 If he is 68, there is a 16-year age

1 D. Liess

2 I was very, very disappointed that Bill
3 would feel that anything was done to him as a result
4 of the relationship that he and I had for so many
5 years.

6 You have to remember, my children -- my
7 wife was pregnant with one of my children, and we
8 would spend weekends at Bill's house.

9 Then, after they were both born, we would
10 throw tissues into Bill Mickelsen's fireplace, and we
11 were very, very, very tight, so I was extremely
12 disappointed that this is how I found out that Bill
13 was as unhappy as he apparently was.

14 Q. What emotions did you feel?

15 A. I think that the biggest one was
16 disappointment that the personal relationship that we
17 had meant absolutely nothing to Bill, and he feels
18 that the company would intentionally do something to
19 him.

20 Q. Why were you disappointed that he would
21 feel that way?

22 A. I was disappointed because I know the
23 facts of the situation, and the facts, as far as I
24 was concerned, did not warrant him -- anything that
25 was in this letter.

1 D. Liess

2 alleging that his age played a role indicated to you
3 that he felt your personal relationship meant
4 nothing?

5 A. No.

6 Age and our relationship had nothing to
7 do with what I felt.

8 Q. Did you think that Bill Mickelsen's
9 complaint of age discrimination indicated that your
10 personal relationship with Bill meant nothing?

11 A. No, that is not what I felt.

12 It was really that Bill would think that
13 I would allow something be done to him that was
14 discriminatory. That is what upset me.

15 He was one of my closest friends in the
16 business.

17 Q. What makes you think that Bill thought
18 that your personal relationship meant nothing?

19 MRS. BRODY: He just answered that
20 question.

21 A. Because I felt that a verbal
22 discussion would have been much more -- if we had a
23 personal relationship, we would have had a
24 discussion, as opposed to resorting to this
25 (indicating).

1 D. Liess

2 A. Executive vice-president and sales.

3 Q. In what company does he function?

4 A. He functions in all four.

5 Q. Is he part of Arvato Print, that --

6 A. Yes.

7 Q. Was he in that position in July of 2007?

8 A. He was executive vice-president and
9 vice-president of sales for Coral Graphics Services
10 at that time.

11 Q. So the two people telling Bill Mickelsen
12 about the change in his compensation were from Coral
13 Graphics, correct?

14 A. Yes.

15 Q. They were not from Offset Paperback?

16 A. No, they were not.

17 Q. Why were two representatives from one
18 company telling the employee of a wholly separate
19 company about his new compensation agreement?

20 A. Because they were part of what was
21 labeled the Guiding Coalition for the restructuring
22 that was taking place to get rid of the four
23 separate companies, and try to bring one united front
24 in.

25 They were the guys that were -- if I can

1 D. Liess

2 back up a minute, I can tell you that the sales
3 compensation plan that the two of them devised for
4 the Coral Graphics salespeople was the sales
5 compensation plan that we were bringing into this new
6 organization with the existing salespeople from
7 Offset Paperback and Berryville Graphics.

8 Q. When was that compensation plan for Coral
9 Graphics developed?

10 A. Probably mid to late 2006.

11 Q. Who is on this Guiding Coalition?

12 A. The Guiding Coalition was Jack O'Donnell
13 -- and I am sure you are going to want his age -- who
14 is 48 or 49.

15 Rick Pincofski, who I believe is 56;
16 Dennis Carey, who is 68; myself, 51; Chris Smith, 31;
17 Jared Verano, 31; Bob Robinson, I am not 100 percent
18 sure of, but I am going to say 50.

19 I believe that covers it. That was our
20 Guiding Coalition.

21 Q. Was Markus Dohle part of that Guiding
22 Coalition?

23 A. Yes.

24 Q. Was he on the coalition?

25 A. No.

1 D. Liess

2 when you take a look at what they are making.

3 It was a very, very frustrating topic for
4 me because I would see that we are paying a lot of
5 money to people that basically I would not even label
6 as salespeople. I would label them as field customer
7 service reps.

8 Q. I understand why you wanted to make that
9 change.

10 My question is, what steps did you take
11 once you identified the problem?

12 Did you conduct some kind of
13 investigation? Did you appoint some kind of
14 committee? Did you conduct some kind of inquiry into
15 what the facts were, identify any solutions? What
16 did you do to identify that problem?

17 A. We found out what our competitors were
18 paying, at the time it was Phoenix Color and Lehigh
19 Press, and we saw that they had a higher component
20 tied to growth for the compensation, but the bulk of
21 their compensation was on the size of the account
22 package.

23 Mitch Weiss had worked at Phoenix Color,
24 so he had intimate knowledge about how they paid
25 their salespeople. He has a tremendous amount of

1 D. Liess

2 contacts in the industry.

3 Did he research it?

4 Yes, he researched it.

5 Who did he research it with?

6 I really don't know.

7 Q. Was there any kind of written report that
8 was made?

9 A. On what we were going to do?

10 No. We had verbal discussions about it.

11 Did he maybe make some diagram as to what
12 his thought process was?

13 Maybe he did.

14 I liked the sound of it. I said, "Let's
15 see how it looks. Let's apply it, put a spreadsheet
16 together," and I saw that if a salesperson grows
17 their business, they stand to make more money.

18 If they stay at the same level with no
19 growth, they take a hit, where they would maybe make
20 a little bit less.

21 It was geared towards growth, as it
22 should be.

23 Q. So the salesmen, if they continued to
24 grow the business, they would stay at the same level?

25 A. No.

1 D. Liess

2 that you wanted because it was a poor question.

3 MR. HELLER: Oh, it's the question's
4 fault. I see.

5 Thank you, Lauren.

6 MRS. BRODY: I understood exactly what
7 he was saying, and you did not get it.

8 MR. HELLER: I am sure that you
9 understood everything exactly.

10 MRS. BRODY: Brian, ask the right
11 question, and you will get the right answer.

12 MR. HELLER: I would like the question
13 read back, and then I would like an answer.

14 (Question read.)

15 A. We did not just wake up one morning,
16 and call the salespeople in and say, "Here, this is
17 what you are getting."

18 They were given notice based upon -- I
19 don't know if we told them three months, if we told
20 them the beginning of next year, whatever it was,
21 that there was going to be an adjustment to the
22 compensation.

23 The compensation was going to be geared
24 towards growth as opposed to sustainability.

25 I am not going to tell you that we gave

1 D. Liess

2 them three months' notice, or that we gave them
3 three days' notice, but we did give them notice,
4 period.

5 We reviewed the plan with them. They
6 understood the plan. At the end of the 12-month
7 period, if they grew their sales, then they made
8 money. If they did not grow their sales, it either
9 stayed the same, or they had a decrease in their
10 business.

11 I am not interested in hiring field
12 customer service people. I am interested in hiring
13 salespeople.

14 Salespeople go out and they find new
15 business. They should have to buy a brand new pair
16 of shoes every week because they wore holes in them.

17 Our salespeople were not doing that.
18 They had to buy new pants because they had holes in
19 the ass of their pants. That is because they were
20 sitting in their offices, and that was it, that is
21 not the way you sell in Dave Liess' world. You get
22 out and you knock on doors and you sell.

23 I hope that I have clarified that.

24 Q. Did you give them notice in writing?

25 A. I would have to check with Mitch Weiss on

1 D. Liess

2 that.

3 RQ MR. HELLER: I am going to ask for all
4 documentation regarding this change in the
5 compensation plan. I think that it has become
6 an issue.

7 MRS. BRODY: In 2006, for Coral Graphics;
8 are you kidding?

9 MR. HELLER: No, I'm not kidding.

10 THE WITNESS: I don't even know if we
11 have it.

12 Q. This was a major change to the
13 compensation given to the salespeople, correct?

14 A. It wasn't major.

15 Q. It wasn't a major change to them?

16 A. It wasn't major, no.

17 It was major to some people, because when
18 you took a look at the total sales number based upon
19 the compensation, there were certain individuals that
20 stood out that they were being grossly overpaid.

21 Q. If there were people who were being
22 grossly overpaid, why couldn't you target their pay
23 instead of changing everybody's compensation?

24 A. Because we wanted to change to a
25 compensation plan that was geared towards growth,

1 D. Liess

2 period.

3 Q. Are you saying that there were people in
4 the sales force that were being grossly overpaid?

5 A. Based upon the amount of sales dollars
6 they were generating, yes.

7 Q. Who was determining their compensation?

8 A. You have to remember that I took over an
9 organization, and I inherited some additional
10 salespeople that I had absolutely nothing to do with
11 their compensation.

12 The people at Coral Graphics were the
13 people that we were responsible for. They were
14 people that I knew. Most of them were ones that I
15 hired, and that is the compensation plan that we
16 worked with.

17 The others we inherited, and when we took
18 a look at where the Coral Graphics salespeople were
19 and the sales volume versus the OPM and Berryville
20 Graphics salespeople, and their sales volume, and
21 where they were, there was a huge disparity. It was
22 not something that I was going to live with.

23 Q. Are you talking about in 2006 or in 2007?

24 A. You asked about the salespeople that were
25 grossly overpaid, and they were the salespeople that

1 D. Liess

2 A. Yes.

3 Q. What was his name?

4 A. Michael Gallagher.

5 MR. HELLER: Off the record.

6 (Discussion off the record.)

7 (Short recess taken: 11:18 a.m. to

8 11:24 a.m.)

9 MR. HELLER: Back on the record.

10 BY MR. HELLER:

11 Q. In 2006, did the salesmen at Coral
12 Graphics have titles?

13 A. You know, salespeople all like having a
14 very different opinion of themselves. They feel if
15 they put "Vice-President of Midwestern Operations" or
16 "Vice-President of Midwest Sales" or "Sales Manager
17 of Midwest" or "West Coast Account Executive," they
18 feel that this is going to help them or benefit them.

19 I let them put whatever they wanted on
20 their business cards if it made them feel good and we
21 were going to get business.

22 I only want the business. I don't care
23 what you call yourself.

24 Q. You let them put whatever they wanted on
25 their business card?

1 D. Liess

2 A. As long as they did not put my name and
3 CEO.

4 Q. Could they put president of something,
5 was that --

6 A. No.

7 They were okay to go with "Sales Manager
8 of West Coast" or "Sales Manager of Midwest" or
9 whatever the case may be.

10 Certain things are just not worth getting
11 upset about, if you know what I mean.

12 Q. If a salesman thought that a title would
13 help them sell more, that is better for the company,
14 correct?

15 A. Yes.

16 It's all about getting the sale.

17 Q. When did you first meet Markus Dohle?

18 A. He was a colleague first when he was
19 running the operation over in Gutersloh, which was
20 called Mohn Media. He and I, we would be in
21 meetings. There were very few Americans there.

22 I can't tell you exactly when I met him,
23 but I can tell you that whenever we spoke we laughed,
24 we joked, we got along very well.

25 I could not even tell you when I first

1 D. Liess

2 was -- it wasn't a question-and-answer period back
3 and forth. It was that, and then we moved on to the
4 next thing.

5 I believe he was at Random House at the
6 time, and I am a salesguy, Brian, I was just looking
7 to get more business out of Random House. That was
8 my priority for me.

9 Q. When was the last time before that
10 conversation that you had spoken to Markus Dohle
11 about Bill Mickelsen?

12 A. I have no idea.

13 Q. Did you ever tell Markus Dohle before
14 that day that Bill Mickelsen had been complaining of
15 age discrimination?

16 A. I don't believe so.

17 Q. Did there come a time when you learned
18 that Mr. Dohle was going to become the head of Arvato
19 Print of the US?

20 A. Yes.

21 We received a notification somewhere -- I
22 think that it was in November or December of -- I
23 don't know what the year was, but that effective
24 January 1st of that following year he was going to be
25 taking over as head of Arvato Print worldwide, not

1 D. Liess

2 just the US.

3 Q. He had been responsible for printing in
4 other parts of the world, correct?

5 A. Yes.

6 Q. And now he was going to be adding on the
7 Americas?

8 A. Yes.

9 Q. Who had fulfilled his responsibility
10 before Mr. Dohle?

11 A. That was Hartmut Ostrowski, he was
12 directly responsible for it, and he was looking at
13 ways to -- I am saying that it was Hartmut, but it
14 may have been Rolf Buch, I don't know whether it was
15 Hartmut or Rolf, but we obviously received the
16 notification that effective January of that following
17 year he was going to be doing it because whether it
18 was Hartmut or Rolf, they were looking to lessen
19 their responsibilities.

20 Q. When did --

21 A. Not their responsibilities, but have
22 somebody as an intermediary taking care of the print
23 division, as opposed to them having to do it directly
24 on their own.

25 It's a \$7 billion operation, so that

1 D. Liess

2 probably was the right thing for them to do.

3 Q. When did you first speak with Markus
4 Dohle after learning that he would fulfill that
5 position?

6 A. I probably spoke with him in Berlin,
7 Germany, because we were away at a meeting.

8 Berryville Graphics was performing very,
9 very poorly at time, and Markus had the management
10 team from Berryville Graphics in Berlin because we
11 were all over there for this big meeting, and he had
12 them in an all-day meeting, wanting to hear a plan to
13 get Berryville Graphics back on the right track.

14 It wasn't until at dinner that night that
15 I saw him, and congratulated him, and said that "I am
16 looking forward to working with you."

17 Q. When was this?

18 A. I don't know the year.

19 It was in December of -- maybe December
20 of '07, I think, maybe.

21 Q. Markus Dohle took over in the beginning
22 of '07?

23 A. If it was the beginning of '07, then this
24 meeting was at the end of '06.

25 You know more about the company than I

1 D. Liess

2 were there communication problems between those two
3 sets of companies?

4 A. There are four companies that you are
5 talking about.

6 Q. Let me break this down.

7 You were responsible for two companies,
8 correct?

9 A. Correct.

10 Q. And Michael Gallagher was responsible for
11 another two companies, correct?

12 A. Yes.

13 Q. You were responsible for Coral Graphics
14 and Dynamic Finishing, and Michael Gallagher was
15 responsible for OPM and Berryville Graphics, correct?

16 A. Yes.

17 Q. Were their difficulties between your set
18 of companies and Mr. Gallagher's set of companies in
19 early 2007?

20 A. Difficulties with the companies?
21 Difficulties in the way we worked together?

22 Q. Yes.

23 A. No.

24 Q. Were there communication problems between
25 the two companies?

1 D. Liess

2 A. No.

3 Q. Was there any reason to change the
4 structure as it existed at that time that you were
5 aware of?

6 A. Well, the only reason at that time would
7 have been the unhappiness that Bertelsmann and, I
8 guess, Markus Dohle had about Berryville Graphics.

9 Q. Other than Berryville Graphics, were you
10 aware of any reason to change the structure of Arvato
11 Print as it existed at that time?

12 A. No, not really.

13 Q. You were aware of any customer complaints
14 about the structure of Arvato Print US at that time?

15 A. I think that Random House was getting a
16 little bit concerned with the way that things were
17 going.

18 They enjoyed the way their relationship
19 was going with Coral Graphics and Dynamic Graphics.

20 They were very unhappy with the way that
21 things were going with Offset Paperback and
22 Berryville Graphics. It was primarily Random House
23 driven.

24 Q. What was primarily Random House driven?

25 A. The concerns about the way that the

1 D. Liess

2 companies were.

3 They liked my "can do" approach. I'm a
4 sales guy. I will take a bullet for a customer, and
5 my customers know that I will take a bullet for them.

6 Mike, on the other hand, was more
7 operational, and it is more what is best for my
8 company, as opposed to what is best for my customer.

9 That philosophy will not give you
10 longevity. Longevity will come from taking care of
11 your customer and changing with their needs and their
12 requirements.

13 Their biggest complaint at Random House
14 was the fact that Offset Paperback, Berryville, you
15 can say Michael Gallagher, if you want, you can say
16 Joe Makarewicz, but we will just say the companies,
17 they were not happy with the way that those two
18 companies were responding to their needs and wants.

19 Q. Were you aware of any other customers
20 that had any complaints like those of Random House?

21 A. Official complaints or -- there is a
22 difference between what would be an official
23 complaint and what you would hear if you were going
24 out to dinner or something like that.

25 It is very safe to say that a majority,